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FINANCE FACTS

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APRIL 1981

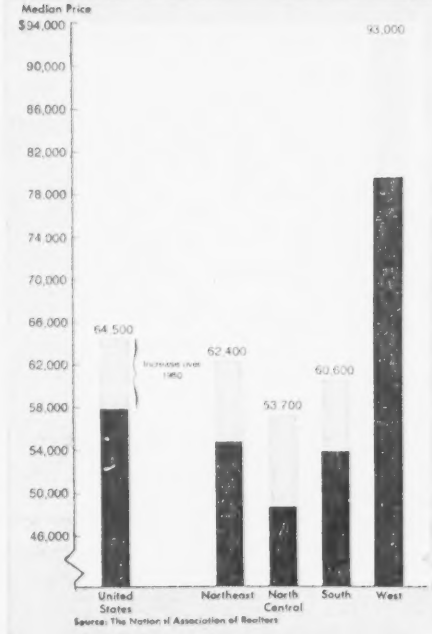
EXISTING HOME SALES

Sales of existing single-family homes in January declined 11.3% to seasonally adjusted annual rate of 2,580,000. This marks fourth consecutive month of declining sales activity. During this period sales rates have fallen by 21%. Sales in January were down 22% in Northeast region, 15% in North Central, and 18% in the West. Sales in the South experienced smallest decline, falling 1%.

Median sales price of single-family home in January rose $1,500 to $64,500. This is 11.4% higher than same month year ago when median priced home sold for $57,900.

Over past dozen years price appreciation on single-family homes has either matched or outpaced overall inflation rate, with exception of 1980. Nationally, median sales price on existing single-family home in 1980 increased to $62,200, up from $55,700 in 1979. This 11.7% increase compares to 13.5% increase in Consumer Price Index.

Median Sales Price of Existing Single Family Homes For the United States and Each Region, January 1981



Source: The National Association of Realtors

EMPLOYMENT OF WOMEN, 1968-1978

Women filled more than one-half of the 18.5 million nonagricultural jobs created between 1968 and 1978, according to a Bureau of Labor Statistics report. Most of these jobs were in rapidly expanding service-producing sector. Proportion of women on nonagricultural payrolls increased from 36% in 1968 to 41% in 1978. Almost all of change occurred in service-producing sector, where women accounted for 47% of the jobs in 1978—up from 42% in 1968. Proportion of women in goods-producing sector edged off slightly.

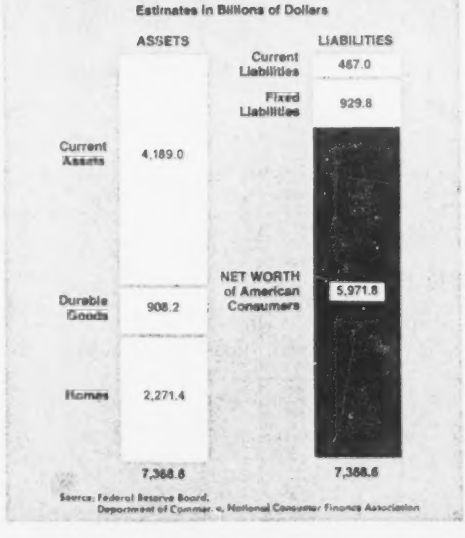
CONSUMER BALANCE SHEET

Total assets of consumers are estimated at $7,368.6 billion as of December 31, 1980. At the same time, consumers had liabilities of $1,396.8 billion leaving them a net worth of $5,971.8 billion.

Current (financial) assets were estimated at $4,189.0 billion. Fixed assets included $2,271.4 billion in owner-occupied housing and land, and $908.2 billion as the value of durable goods for a total of $3,179.6 billion. Current liabilities stood at $467.0 billion and fixed liabilities of mortgage debt at $929.8 billion to bring total liabilities to $1,396.8 billion.

Asset and debt position of the American consumer at year-end 1980 showed 10.9 to 1 asset-to-debt ratio of all assets and debts excluding those involving homeownership where the ratio was 2.4 to 1. The ratio of all assets to all debts was 5.3 to 1. Owners' equity stood at 81.0% of consumer assets at year-end 1980.

Consumer Balance Sheet December 31, 1980



Source: Federal Reserve Board, Department of Commerce, National Consumer Finance Association

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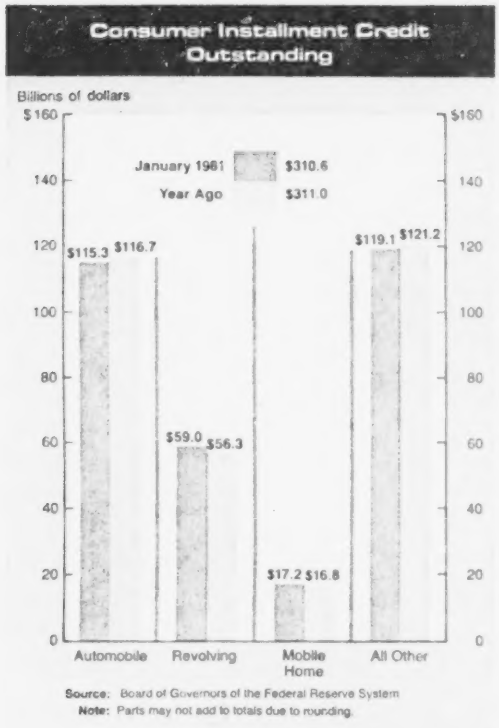
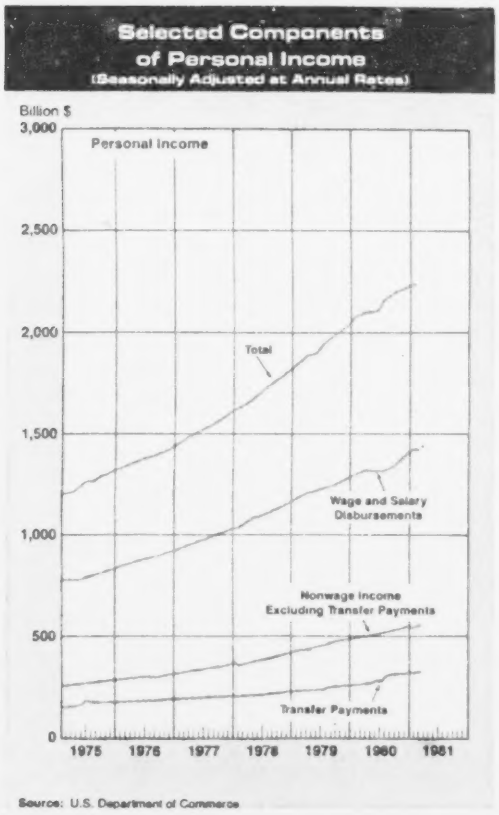


Source: Board of Governors of the Federal Reserve System
Note: Parts may not add to totals due to rounding.



Source: U.S. Department of Commerce

CONSUMER INSTALLMENT CREDIT

Total consumer installment credit at end January 1981 was $310.6 billion. Of this amount $115.3 billion was outstanding in automobile credit, $59.0 billion in revolving credit, $17.2 billion in mobile home credit and $119.1 billion in all other credit (consisting of other consumer goods and personal loans).

During January 1981, total installment credit outstanding decreased by $2.9 billion — automobile credit decreased $1.1 billion, revolving credit $0.9 billion, mobile home credit $0.1 billion and all other $0.9 billion.

Net change over month by institution was decrease of $2.0 billion for commercial banks, made up of decrease in automobile of $1.4 billion and $0.6 billion decrease in revolving, mobile home and all other combined. Finance company outstandings increased $0.4 billion made up of increase in automobile of $0.6 billion and decrease of $0.2 billion in personal loans, mobile homes and all other combined. Credit unions decreased $0.4 billion. Gasoline companies increased $0.2 billion, and savings and loans $0.1 billion. Retailers decreased $1.1 billion.

Net change in installment credit outstanding by type since end of January 1980 amounted to decrease of $0.5 billion. Revolving credit increased $2.7 billion, mobile home credit $0.4 billion. Automobile credit declined $1.5 billion, all other credit down $2.1 billion.

Net change by institution over year was increase of $8.4 billion for finance companies, $1.1 billion for retailers, $1.6 billion for savings and loans and $1.0 billion for gasoline companies. Commercial banks decreased $9.9 billion and credit unions $2.9 billion.

PRODUCER PRICE INDEXES

Producer Price Index for Finished Goods moved up 0.8% after seasonal adjustment from January to February, U.S. Department of Labor reported. February rise followed 0.9% advance in January and 0.5% increase in December.

PERSONAL INCOME

Personal income increased $15.0 billion in February to seasonally adjusted annual rate of $2,313.7 billion, according to U.S. Department of Commerce. In January, personal income increased $22.2 billion.

Wages and salaries and other labor income increased $8.5 billion in February. Nonfarm proprietors' income increased $0.4 billion in February, farm proprietors' income down $0.7 billion. Income from rent, dividends and interest increased $7.2 billion. Transfer payments decreased $0.2 billion.

Personal outlays increased $23.5 billion in February, taxes up $1.8 billion. Saving declined $10.3 billion. Purchases of durable goods increased $6.4 billion. Purchases of nondurable goods increased $12.6 billion, purchases of services increased $4.2 billion.

CONSUMER FINANCIAL BEHAVIOR

Most indexes were up slightly in the fourth quarter of 1980. Largest percentage increase was registered by durable goods expenditures, up 13.2 points (7.0%) to 201.1 (1972 = 100). Only declining index was personal saving, down 22.6 points (10.7%) to 189.2.

Personal income index increased 7.7 points (3.4%) in fourth quarter 1980. Personal taxes rose 12.6 points (5.2%), and disposable personal income rose 6.9 points (3.0%).

Installment credit indexes rose in fourth quarter; consumer installment credit extended, up 8.6 points (4.3%) to 210.9 and credit repaid up 1.3 points (0.6%) to 226.0 and still above the credit extended index. Nondurable goods expenditures increased 9.3 points (4.1%) and expenditures on services rose 7.5 points (3.1%).

For year 1980, both personal income and disposable personal income increased about 11% over 1979, with personal taxes up 12%. Personal saving increased over 18%, with consumer installment credit extensions down 5.5%, and durable goods expenditures down 0.2% from 1979.

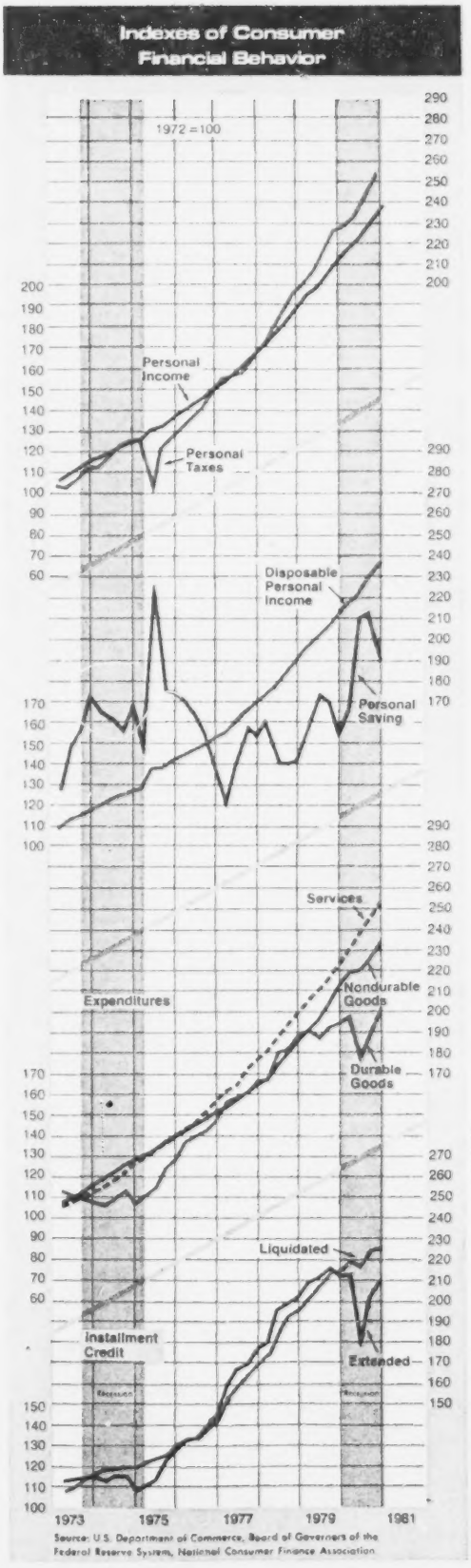
Indexes for fourth quarter 1979 and third and fourth quarter 1980 (indexes 1972 = 100) are shown in the following table:

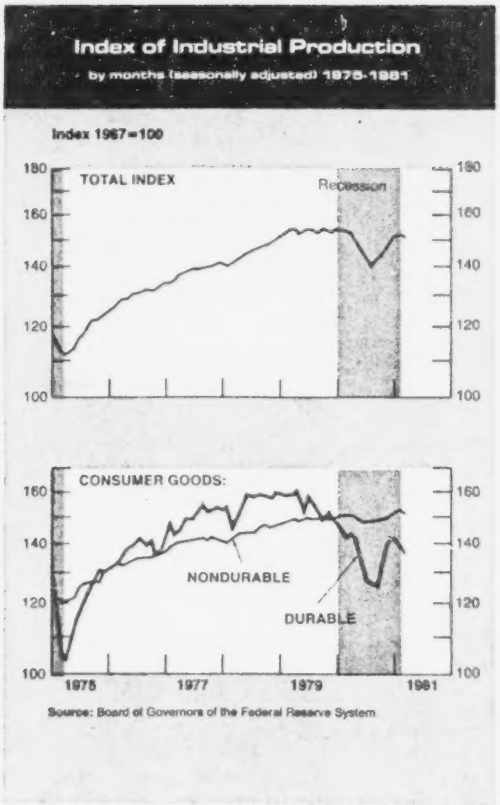
	1979	1980	
	Fourth Quarter	Third Quarter	Fourth Quarter
Personal Income	213.6	229.4	237.1
Personal Taxes	228.2	242.2	254.8
Disposable Personal Income	211.0	227.2	234.1
Personal Saving	153.4	211.8	189.2
Durable Goods Expenditures	194.5	187.9	201.1
Nondurable Goods Expenditures	212.6	224.3	233.6
Expenditures on Services	223.5	245.7	253.2
Consumer Installment Credit Extended	212.8	202.3	210.9
Consumer Installment Credit Repaid	214.7	224.7	226.0

INTERNATIONAL TRAVEL

International travel by people from other countries has grown rapidly while American travelers have increased much less, according to The Conference Board. In 1970, 22 million Americans went abroad, 5.2 million of whom went overseas; in 1979 the numbers were 23 million and 7.8 million, respectively. During same period, number of German tourists rose from 12 million to almost 23 million, Japanese travelers went from 600,000 to over 4 million. In 1971, U.S. travelers spent $4.3 billion, while German travelers spent $3.5 billion; in 1979, U.S. expenditures were $9.4 billion, those of Germans $18 billion.

Since 1970, number of overseas visitors to the U.S. has tripled, while number of U.S. visitors overseas rose by only 50%. Largest number of overseas tourists came from the U.K., Germany, France, and Japan. Over half of 20 million visitors to U.S. came from Canada. Of total estimated U.S. travel receipts in 1979 of $8.3 billion, about $2 billion each came from Canadian and Mexican travelers, over $4 billion from overseas.





INDUSTRIAL PRODUCTION

Industrial production declined estimated 0.5% in February, following successively smaller monthly increases since October 1980. In February, declines occurred in most major components of index, with large decreases in durable goods for the home and construction supplies. At 150.8% of 1967 average, index was fractionally below December 1980 level and about 1% below level year earlier.

Output of consumer goods declined 0.6% in February; reduction was limited by moderate increase in automotive products. Production of home goods declined sharply and output of consumer nondurable goods was reduced moderately. Production of business equipment edged down in February. Output of construction supplies fell sharply, 2.6%, after rising average of 1.5% in each of three preceding months.

EMPLOYMENT SITUATION

Overall employment situation was little changed from January to February, U.S. Department of Labor reported. Nation's unemployment rate was 7.3% in February; it had been 7.4% in prior two months. Total employment edged up in February to 97.9 million.

CAPACITY UTILIZATION

Capacity utilization rates for manufacturers and producers of industrial materials declined in February. Rate for manufacturing fell 0.7 of percentage point to 79.3% of capacity, and rate for industrial materials producers decreased 0.5 of percentage point to 81.2%. Although rates had increased for six consecutive months prior to February, they still were below levels in early 1980.

Within manufacturing, declines in utilization rates were widespread in February. Operating rate for motor vehicles and parts industry declined moderately, to about 57% of capacity, rate far below historical norm.

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